

ASSEMBLY BILL NO. 83—ASSEMBLYWOMAN
BUSTAMANTE ADAMS

FEBRUARY 6, 2013

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions governing certain disbursements of money from escrow accounts. (BDR 54-686)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to escrow accounts; revising provisions governing certain disbursements of money from escrow accounts; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law prohibits an escrow agent, title insurer, title agent or escrow
2 officer from disbursing money from an escrow account on the same business day as
3 the money is deposited unless the deposit is made in certain forms of payment
4 which allow for the conversion of the deposit to cash on the same day as the deposit
5 is made, including a certified check which is payable in this State and which is
6 drawn from a financial institution located in this State. (NRS 645A.171, 692A.255)
7 This bill instead requires that, to be eligible for same-day disbursement, deposits
8 made by certified check must be drawn from a financial institution authorized to do
9 business in this State.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** NRS 645A.171 is hereby amended to read as
2 follows:

3 645A.171 1. An escrow agent shall not disburse money from
4 an escrow account unless deposits which are at least equal in value
5 to the proposed disbursements and which relate directly to the
6 transaction for which the money is to be disbursed have been
7 received.



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2. An escrow agent shall not disburse money from an escrow account on the same business day as the money is deposited unless the deposit is made in one of the following forms:

(a) Cash;

(b) Interbank electronic transfer such that the money deposited is available for immediate withdrawal without condition and payable in United States currency;

(c) Negotiable order of withdrawal, money order, cashier's check or certified check ~~which is payable in this State and~~ which is drawn from a financial institution ~~located~~ *authorized to do business* in this State;

(d) Any depository check, including any cashier's check or teller's check, that is governed by the Expedited Funds Availability Act, 12 U.S.C. §§ 4001 et seq.; or

(e) Any other form that permits conversion of the deposit to cash on the same day as the deposit is made.

3. An escrow agent who disburses money from an escrow account pursuant to this section on the next business day after the day on which the money is deposited shall comply with all applicable federal laws or regulations with respect to the disbursement of money accorded next-day availability that is deposited in an escrow account.

Sec. 2. NRS 692A.255 is hereby amended to read as follows:

692A.255 1. A title insurer, title agent or escrow officer shall not disburse money from an escrow account unless deposits which are at least equal in value to the proposed disbursements and which relate directly to the transaction for which the money is to be disbursed have been received.

2. A title insurer, title agent or escrow officer shall not disburse money from an escrow account on the same business day as the money is deposited unless the deposit is made in one of the following forms:

(a) Cash;

(b) Interbank electronic transfer such that the money deposited is available for immediate withdrawal without condition and payable in United States currency;

(c) Negotiable order of withdrawal, money order, cashier's check or certified check ~~which is payable in this State and~~ which is drawn from a financial institution ~~located~~ *authorized to do business* in this State;

(d) Any depository check, including any cashier's check or teller's check, that is governed by the Expedited Funds Availability Act, 12 U.S.C. §§ 4001 et seq.; or

(e) Any other form that permits conversion of the deposit to cash on the same day as the deposit is made.



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1 3. A title insurer, title agent or escrow officer who disburses
2 money from an escrow account pursuant to this section on the next
3 business day after the day on which the money is deposited shall
4 comply with all applicable federal laws or regulations with respect
5 to the disbursement of money accorded next-day availability that is
6 deposited in an escrow account.

7 **Sec. 3.** This act becomes effective on July 1, 2013.

